

CITY COUNCIL REPORT



Meeting Date: November 8, 2011
 General Plan Element: *Preservation & Environmental Planning*
 General Plan Goal: *Acquire the land within the recommended study boundary of the McDowell Sonoran Preserve*

ACTION

Acquisition of State Trust Lands for the McDowell Sonoran Preserve. 1) Adopt Resolution No. 8887, authorizing the City Manager or designee to submit bids and, if the City is the successful bidder, authorize staff to pay required deposits and provide complete payment to the Arizona State Land Department for approximately 1,937 acres of State Trust land to be sold at auction on December 7th, 2011, and declaring an emergency. And,

2) Adopt Resolution No. 8888, authorizing the City Manager or designee to submit bids and, if the City is the successful bidder, authorize staff to pay required deposits and provide complete payment to the Arizona State Land Department for approximately 2,482 acres of State Trust land to be sold at auction on December 14th, 2011, and declaring an emergency.

BACKGROUND

These resolutions would authorize the City Manager or his designee to submit bid(s) and make required payments on two properties scheduled for auction on December 7th and December 14th, 2011, by the Arizona State Land Department. The two parcels comprising the approximate 4,419 acres of State Trust Land are located within the expanded Recommended Study Boundary (RSB) for the Preserve and within the geographic area where Scottsdale voters approved spending Preserve tax funds for land acquisition through propositions passed in 1995 and 2004.

Pursuant to the Auction Notice for the first Parcel (Sale No. 53-115505), the minimum opening bid is \$41,000,000 (approximately \$21,000 per acre), the appraised value of the property. The successful bidder is required to pay, on the day of the auction, a non-refundable deposit totaling \$4,920,921, which consists of 10% of the appraised value of the land, a selling and administrative fee of 2% of the appraised value, and other miscellaneous administrative fees. Payment of the balance of the purchase price is due within 30 days after the auction date. If the balance of the purchase price is not paid, the deposit is forfeited (see Attachment #5, Auction Notice for Sale). Conversely, if the City is not the successful bidder, it is not obligated to make a deposit and no fees or costs are assessed to the City. (As COS requested this sale and was required to prepay

miscellaneous administrative fees, if we are not the successful bidder, we will be reimbursed those fees, which equal approximately \$71,994).

Pursuant to the Auction Notice for the second Parcel (Sale No. 53-115506), the minimum opening bid is \$45,000,000 (approximately \$18,000 per acre), the appraised value of the property. The successful bidder is required to pay, on the day of the auction, a non-refundable deposit totaling \$5,402,777, which consists of 10% of the appraised value of the land, a selling and administrative fee of 2% of the appraised value, and other miscellaneous administrative fees. Payment of the balance of the purchase price is due within 30 days after the auction date. If the balance of the purchase price is not paid, the deposit is forfeited (see Attachment #6, Auction Notice for Sale). Conversely, if the City is not the successful bidder, it is not obligated to make a deposit and no fees or costs are assessed to the City. (As COS requested this sale and was required to prepay miscellaneous administrative fees, if we are not the successful bidder, we will be reimbursed those fees, which equal approximately \$82,017).

Both Resolution's declare an emergency so that funds are available immediately to comply with the State Land Department's bidding, auction and payment requirements.

ANALYSIS & ASSESSMENT

Recent Staff Action.

Growing Smarter State Trust Land Acquisition Grant Program

The Growing Smarter State Trust Land Acquisition Grant program administered by Arizona State Parks was approved by Arizona voters through passage of Proposition 303 in 1998. The purpose of the Growing Smarter grant program is to conserve open space and, therefore, the City is required to provide a conservation easement to Arizona State Parks on any lands it acquires using these matching grant funds.

The State annual appropriation for the grant funds began in FY2001 and continues through FY2011, with a total of \$200 million being allocated to the program. Scottsdale received approximately \$3.3 million from Growing Smarter funds to pay for 50% of the cost for 400 acres acquired from the State Land Department in December 2009, and approximately \$22.5 million for 2000 acres in 2010.

Per direction from City Council on June 28th, 2011, staff submitted a grant application to Arizona State Parks for this program to pay up to 50% of the cost to acquire these 4,419 acres of State Trust Land for the McDowell Sonoran Preserve. These applications have been approved by the State Parks Board and, if the City is the successful bidder on these properties, the grant will provide approximately \$36.2 million to the City.

The first parcel, 1,937 acres of State Trust Land, is generally located west of 136th Street, between the Pinnacle Peak Road alignment and extending north to the Lone Mountain Road alignment. The area south of Dynamite extends west to 122nd Street and the area north of Dynamite extends west to 128th Street.

The second parcel, 2,482 acres of State Trust Land, is generally located east of the Pima Road and

extends east to 136th Street, between the Dixileta Drive alignment and extending north to the Dove Valley Road alignment.

Both of these properties are predominately rolling topography and are surrounded by a diversity of landforms, including boulder outcroppings, Granite Mountain, Balanced Rock, and the foothills of Fraesfield Mountain. The parcels contain upper Sonoran Desert vegetation with a number of washes exhibiting extensive riparian plants and housing abundant wildlife, including habitats for multiple Threatened, Sensitive and Endangered species. In addition, these parcels are considered important corridors to migratory avian species.

These two parcels of land are planned to remain primarily in a natural condition with limited trail improvements and two planned trailhead access areas, which will be located on a small portion of this land near Dynamite and 132nd Street, and Lone Mountain and 136th Street. Additionally, staff anticipates future restoration projects along old jeep and power line road scars, which will return damaged areas to a more natural condition.

Review of Key Related Policies

- City Council Broad Goal B: Preserve the Character and Environment of Scottsdale, and sub-goals under Goal B: Complete the acquisition of lands within the adopted Preserve boundaries; and protect natural resources, open spaces and views.
- The 4,419 acres of State Trust lands are within the Recommended Study Boundary for the Preserve, approved by City Council in 1998, and within the geographic area Scottsdale voters approved spending Preserve tax funds for land acquisition through propositions passed in 1995 and 2004.
- Consistent with the Preserve Acquisition Strategy that was accepted by the City Council on September 22nd, 2009, and updated on June 22nd and September 15th, 2010.
- The 4,419 acres were found suitable for conservation under the Arizona Preserve Initiative (API) by State Land Commissioner Order No. 303-99/00 issued in 2000, and Order No. 078-2001/2002 issued in 2001.

Community Involvement. Scottsdale citizens, through the nonprofit McDowell Sonoran Land Trust (today the McDowell Sonoran Conservancy), initiated the preservation of Scottsdale's McDowell Mountains and Sonoran Desert in 1990. The City Council, based on recommendations from the McDowell Sonoran Preserve Commission, identified land within an approximate 34,400-acre Recommended Study Boundary for inclusion in the McDowell Sonoran Preserve.

The McDowell Sonoran Preserve is supported by seven public votes; five in support of funding for the Preserve, and two related Preserve questions. The City Council and voters have approved the specific boundary in which all acquisitions are made. The McDowell Sonoran Preserve Commission strongly supports the preservation of all land within the voter-approved Recommended Study Boundary. Scottsdale residents have indicated a strong desire to maintain the Preserve for the enjoyment of this and future generations.

RESOURCE IMPACTS

Available funding. The Growing Smarter Grant application requires the grantee to provide at least 50% of the total acquisition cost. The City intends on meeting its obligation by issuing Preserve General Obligation bonds from its authorized, but unissued, Preserve general obligation bond capacity. Debt service for a potential Preserve General Obligation bond issue was included in the 2011/12 budget process and is to be paid from the 0.20% City transaction privilege tax approved by voters in 1995, and the 0.15% City transaction privilege tax approved by voters in 2004, and dedicated to financing land acquisitions and improvements for the Preserve. Conservative cash flow projections indicate sufficient transaction privilege tax revenue collections to meet current debt service requirements and debt service requirements associated with the potential new Preserve General Obligation bond issue. However, these new bonds are direct and general obligations of the City, and this issuance would establish an obligation to levy ad valorem taxes for payment of the principal and interest if there is insufficient funding available from the transaction privilege tax collections.

If the City is the winning bidder at the auction(s), the entire purchase price (less the 10% of appraised value that the City will have already deposited) will be due within 30 days of the auction(s). It is the City's intent to pay the entire purchase price within the 30 days of the auction(s) to assure the receipt of the matching funds from the State Parks Growing Smarter Grant. Staff recommends that the City utilize funds from its cash investments portfolio for the full purchase price of the Preserve land (with the provision that such funds will be reimbursed from State Park Grant funds and Preserve General Obligation bond proceeds).

Staffing, Workload Impact

Minimal impacts - Staff are working with the McDowell Sonoran Conservancy (MSC) to provide expanded Volunteer Resources – per our joint agreement approved in the fall of 2009, in which the MSC is committed to provide volunteer support and other forms of assistance to existing and planned expansions to the Preserve. Through such cooperative efforts, long envisioned by the Preserve supporters, staffing costs will be minimized.

Maintenance Requirements

Minimal management is required for the vast majority of the planned new land areas since it is to remain in a natural state. The planned trailhead access areas will be in future Preserve budgets for design and construction, and will address site access restrictions and trail connections in those design efforts.

Future Budget Implications. The grant funds will reduce the cost to the City for the acquisition of these State Land parcels by up to \$36.2 million. Every dollar of grant funds received will reduce by a dollar the amount of Preserve tax that is needed to acquire these parcels of State Land. Preserve tax funds saved by the matching grant dollars will be available for future land acquisitions in the planned Preserve boundary.

Proposed Next Steps

If the City is the successful bidder, the City Treasurer will sign a reimbursement declaration that will allow the City to pay for the land acquisition using existing cash flow and be “reimbursed” by tax-exempt obligations (Preserve General Obligation bond proceeds) at a later date. Staff will coordinate the payment to the State Land Department and submit the required documentation to the Arizona State Parks Department to complete the transfer of the matching funds to the City. Staff, in conjunction with Gust Rosenfeld (outside bond counsel for the City) and Piper Jaffray (outside financial advisor for the City), will proceed with preparing the necessary bond documents to be brought before the Council for their approval prior to the bond sale, and staff will meet with the City's three credit rating firms. After receiving the ratings of the bonds, staff will proceed with the bond sale in January 2012.

OPTIONS & STAFF RECOMMENDATION

Recommended Approach

Adopt Resolution No. 8887 and Resolution No. 8888 authorizing the City Manager or designee to submit bids and, if the City is the successful bidder, authorize staff to pay required deposits and provide complete payment to the Arizona State Land Department for approximately 4,419 acres of State Trust land, to be sold at auction on December 7th and December 14th, 2011, and declaring an emergency.

Description of Option B

Do not approve the authority to bid at auction to acquire real property in this area.

RESPONSIBLE DEPARTMENT(S)

Preserve, Community Services, Finance and Accounting Division, Asset Management, City Attorney

STAFF CONTACTS (S)

Kroy S. Ekblaw, Preserve Director/Strategic Projects, (480) 312-7064, KEkblaw@scottsdaleaz.gov

Lee Guillory, Finance Manager, (480) 312-7084, LGuillory@scottsdaleaz.gov

APPROVED BY



David N. Smith, City Treasurer
(480) 312-2364, DASmith@scottsdaleaz.gov

10/25/11
Date



Kroy S. Ekblaw, Strategic Projects/Preserve Director
(480) 312-7064, KEkblaw@scottsdaleaz.gov

Oct. 25, 2011
Date

ATTACHMENTS

1. Resolution No. 8887
2. Resolution No. 8888
3. Parcel 1 Map
4. Parcel 2 Map
5. Auction Notice for sale No. 53-115505
6. Auction Notice for sale No. 53-115506

RESOLUTION NO. 8887

A RESOLUTION OF THE COUNCIL OF THE CITY OF SCOTTSDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE CITY MANAGER OR DESIGNEE TO BID AT THE ARIZONA STATE LAND AUCTION TO BE HELD ON DECEMBER 7, 2011, ON CERTAIN REAL PROPERTY GENERALLY LOCATED WEST OF 136TH STREET BETWEEN PINNACLE PEAK ROAD AND LONE MOUNTAIN ROAD ALINGMENTS, AUTHORIZING PAYMENT OF REQUIRED FEES AND DEPOSITS AND IF THE CITY IS THE SUCCESSFUL BIDDER, AUTHORIZING FINAL PAYMENT TO THE STATE LAND DEPARTMENT OF REQUIRED AMOUNTS, AND EXECUTION OF ALL NECESSARY INSTRUMENTS AND DOCUMENTS TO COMPLETE THE TRANSACTION, PLACING A CONSERVATION EASEMENT OVER THE REAL PROPERTY AND DESIGNATION OF THE REAL PROPERTY AS PRESERVE LAND AND DECLARING AN EMERGENCY.

WHEREAS, the State of Arizona is the owner of certain real property (the Property) generally located WEST OF 136TH STREET BETWEEN PINNACLE PEAK ROAD AND LONE MOUNTAIN ROAD ALINGMENTS, comprising approximately 1,937 ± acres, more particularly described in Exhibit A attached hereto; and

WHEREAS, the Arizona State Land Department wishes to dispose of the Property by public auction on December 7, 2011; and

WHEREAS, in 1995 and 2004 Scottsdale voters approved propositions increasing sales and privilege taxes to acquire land for Preservation in the McDowell Sonoran Preserve area; and

WHEREAS, the Property is located in the original planned McDowell Sonoran Preserve boundary and suitable for preservation; and

WHEREAS, the City of Scottsdale desires to acquire the Property from the Arizona State Land Department for designation as preserve land; and

WHEREAS, on June 30, 2011, the City submitted a grant application to the Arizona State Parks Board pursuant to the Growing Smarter Program that would allow reimbursement to the City of up to 50% of the costs to acquire land for the McDowell Sonoran Preserve, which application was approved by the Arizona State Parks Board entitling the City to receive matching funds that total approximately forty percent (40%) of the appraisal price and administrative fees expended in acquiring the Property; and

WHEREAS, under the requirements of the Growing Smarter Program, the City must place a Conservation Easement over the Property in order to receive the matching funds; and

WHEREAS, if the City is the successful bidder the entire purchase price less any deposits previously paid by the City will be due within thirty (30) days of the auction and the City shall utilize funds from its cash investment portfolio to pay the full purchase price with the provision that such funds will be reimbursed from State Park Grant Funds and Preserve General Obligation Bonds.

NOW, THEREFORE BE IT RESOLVED, by the Council of the City of Scottsdale, Maricopa County, Arizona, as follows:

Section 1. The City Council hereby authorizes and directs the City Manager or designee to bid at the Arizona State Land Department auction to attempt to acquire the Property and to bid in an amount equal to the Arizona State Land Department's appraised value of the Property and such additional reasonable amounts as may be necessary to secure any or all of the Property if the bidding is higher.

Section 2. The City Manager or designee is hereby authorized and directed to pay such refundable and nonrefundable deposits, fees and other amounts and to make decisions and render such performance as necessary to comply with Arizona State Land auction rules and to secure purchase of the Property and make payment in full within the time limits set forth under the rules of the auction.

Section 3. That upon being named the successful bidder, the City Treasurer is authorized to utilize funds from the City's cash investment portfolio to pay the full purchase price of the Preserve land upon the condition that the City Treasurer sign a reimbursement declaration that will allow the City to be reimbursed by the sale of tax exempt obligation Preserve bonds and that the City Treasurer, with the assistance of bond counsel, proceed in preparing any necessary bond documents to be brought before the City Council for its approval prior to the bond sale.

Section 4. That after securing title to the Property, a Conservation Easement shall be placed over the Property as required by the Growing Smarter Program and that the City accept the matching funds from the Arizona State Parks Board .

Section 5. That excluding the right-of-way along Pima Road the Property is suitable for mountain and desert preservation and that after recording of the Conservation Easement, the Property excluding the right-of-way is designated as Preserve Land.

Section 6. That in order to meet the payment deadlines under the auction rules as set by the Arizona State Land Department, it is necessary to conclude the City's purchase and payment in full by January 6, 2012, an emergency is hereby declared to

exist and this Resolution shall be in full force and effect from and after its final passage and adoption by the Council of the City of Scottsdale.

Section 7. That Mayor W.J. "Jim" Lane or his designee is hereby authorized to execute on behalf of the City of Scottsdale any document(s) as may be necessary to conclude acquisition of the Property, placement and recording of the Conservation Easement over the Property, and acceptance of grant funds.

PASSED AND ADOPTED by the Council of the City of Scottsdale, Maricopa County, Arizona this _____ day of _____, 2011.

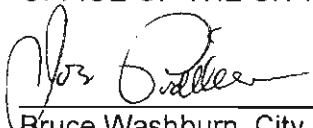
ATTEST:

CITY OF SCOTTSDALE, an
Arizona municipal corporation

By: _____
Carolyn Jagger, City Clerk

By: _____
W. J. "Jim" Lane, Mayor

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY

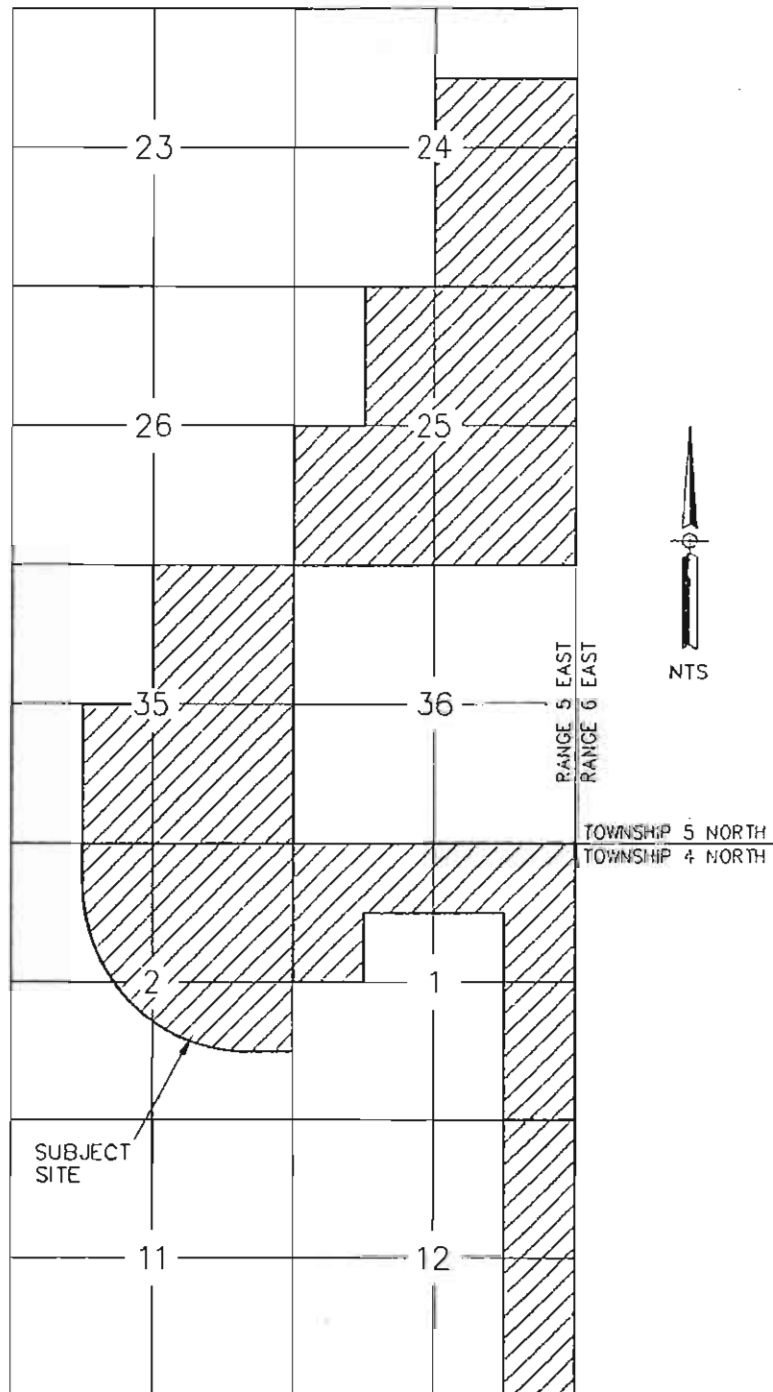


Bruce Washburn, City Attorney
By: Joe Padilla, Sr. Assistant City Attorney

ALTA/ACSM LAND TITLE SURVEY

A PORTION OF SECTIONS 24, 25, AND 35, TOWNSHIP 5 NORTH, RANGE
5 EAST AND A PORTION OF SECTIONS 1, 2, AND 12, TOWNSHIP 4
NORTH, RANGE 5 EAST OF THE GILA AND SALT RIVER MERIDIAN,
MARICOPA COUNTY, ARIZONA.

EXHIBIT A



VICINITY MAP

ALTA/ACSM LAND TITLE SURVEY

A PORTION OF SECTIONS 24, 25, AND 35, TOWNSHIP 5 NORTH, RANGE
5 EAST AND A PORTION OF SECTIONS 1, 2, AND 12, TOWNSHIP 4
NORTH, RANGE 5 EAST OF THE GILA AND SALT RIVER MERIDIAN,
MARICOPA COUNTY, ARIZONA.

LEGAL DESCRIPTION

PARCEL 1

LOTS 1, 2, 3 AND 4; THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER; THE EAST HALF OF THE SOUTHEAST QUARTER; AND THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 1, TOWNSHIP 4 NORTH, RANGE 5 EAST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 2

A PORTION OF SECTION 2, TOWNSHIP 4 NORTH, RANGE 5 EAST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A 3" MARICOPA COUNTY ALUMINUM CAP MARKED "LS 33307", FOUND AT THE NORTHEAST CORNER OF SAID SECTION 2, THENCE ALONG THE EAST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 2, SOUTH 0°05'01" EAST, 2,550.44 FEET, TO A GLO BRASS CAP FOUND AT THE EAST QUARTER CORNER OF SAID SECTION 2; THENCE ALONG THE EAST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 2, SOUTH 0°03'11" EAST, 1,319.81 FEET TO THE SOUTH 1/16TH CORNER OF SAID SECTION 2 AND A 1/2" IRON RE-BAR WITH TAG MARKED "PE LS 4764"; THENCE ALONG A LINE NORMAL TO THE EAST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 2, SOUTH 89°56'49" WEST, 3.39 FEET TO A POINT OF CURVATURE WITH A 3,820 FOOT RADIUS; THENCE NORTHWESTERLY, ALONG THE ARC OF SAID CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 89°53'54", AN ARC DISTANCE OF 5,993.67 FEET TO A POINT OF TANGENCY; THENCE NORTH 0°09'17" WEST, 50.97 FEET TO A POINT ON THE NORTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 2 SAID POINT ALSO BEING THE WEST 1/16TH CORNER OF SECTION 35, TOWNSHIP 5 NORTH, RANGE 5 EAST; THENCE ALONG THE NORTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 2, NORTH 89°50'43" EAST, 1183.75 FEET TO A 2" MARICOPA COUNTY ALUMINUM CAP, MARKED "LS33307" FOUND AT THE NORTH QUARTER CORNER OF SAID SECTION 2; THENCE ALONG THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 2, NORTH 89°50'43" EAST, 135.95 FEET TO A GLO BRASS CAP FOUND AT THE SOUTH 1/4 CORNER OF SAID SECTION 35; THENCE ALONG THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 2, NORTH 89°51'43" EAST, 2,502.84 FEET TO THE POINT OF BEGINNING.

PARCEL 3

THE EAST HALF OF THE NORTHEAST QUARTER; AND THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 12, TOWNSHIP 4 NORTH, RANGE 5 EAST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 4

THE SOUTH HALF OF THE NORTHEAST QUARTER; AND THE SOUTHEAST QUARTER OF SECTION 24, TOWNSHIP 5 NORTH, RANGE 5 EAST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 5

THE NORTHEAST QUARTER; THE SOUTHEAST QUARTER; THE SOUTHWEST QUARTER; AND THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 25, TOWNSHIP 5 NORTH, RANGE 5 EAST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 6

THE NORTHEAST QUARTER; THE SOUTHEAST QUARTER; AND THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 35, TOWNSHIP 5 NORTH, RANGE 5 EAST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA.

AREA TABLE

| PARCEL | AREA (AC±) |
|--------|------------|
| 1 | 309.127 |
| 2 | 267.519 |
| 3 | 160.245 |
| 4 | 240.162 |
| 5 | 560.045 |
| 6 | 400.089 |
| TOTAL | 1,937.187 |

RESOLUTION NO. 8888

A RESOLUTION OF THE COUNCIL OF THE CITY OF SCOTTSDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE CITY MANAGER OR DESIGNEE TO BID AT THE ARIZONA STATE LAND AUCTION TO BE HELD ON DECEMBER 14, 2011, ON CERTAIN REAL PROPERTY GENERALLY LOCATED EAST OF THE PIMA ROAD ALIGNMENT BETWEEN DIXILETA DRIVE AND DOVE VALLEY ROAD ALIGNMENTS, AUTHORIZING PAYMENT OF REQUIRED FEES AND DEPOSITS AND IF THE CITY IS THE SUCCESSFUL BIDDER, AUTHORIZING FINAL PAYMENT TO THE STATE LAND DEPARTMENT OF REQUIRED AMOUNTS, AND EXECUTION OF ALL NECESSARY INSTRUMENTS AND DOCUMENTS TO COMPLETE THE TRANSACTION, PLACING A CONSERVATION EASEMENT OVER THE REAL PROPERTY AND DESIGNATION OF THE REAL PROPERTY AS PRESERVE LAND AND DECLARING AN EMERGENCY.

WHEREAS, the State of Arizona is the owner of certain real property (the Property) generally located EAST OF THE PIMA ROAD ALIGNMENT BETWEEN DIXILETA DRIVE AND DOVE VALLEY ROAD ALIGNMENTS, comprising approximately 2,482 ± acres, more particularly described in Exhibit A attached hereto; and

WHEREAS, the Arizona State Land Department wishes to dispose of the Property by public auction on December 14, 2011; and

WHEREAS, in 1995 and 2004 Scottsdale voters approved propositions increasing sales and privilege taxes to acquire land for Preservation in the McDowell Sonoran Preserve area; and

WHEREAS, the Property is located in the original planned McDowell Sonoran Preserve boundary and suitable for preservation; and

WHEREAS, the City of Scottsdale desires to acquire the Property from the Arizona State Land Department for designation as preserve land; and

WHEREAS, on June 30, 2011, the City submitted a grant application to the Arizona State Parks Board pursuant to the Growing Smarter Program that would allow reimbursement to the City of up to 50% of the costs to acquire land for the McDowell Sonoran Preserve, which application was approved by the Arizona State Parks Board entitling the City to receive matching funds that total approximately forty percent (40%) of the appraisal price and administrative fees expended in acquiring the Property; and

WHEREAS, under the requirements of the Growing Smarter Program, the City must place a Conservation Easement over the Property in order to receive the matching funds; and

WHEREAS, if the City is the successful bidder the entire purchase price less any deposits previously paid by the City will be due within thirty (30) days of the auction and the City shall utilize funds from its cash investment portfolio to pay the full purchase price with the provision that such funds will be reimbursed from State Park Grant Funds and Preserve General Obligation Bonds.

NOW, THEREFORE BE IT RESOLVED, by the Council of the City of Scottsdale, Maricopa County, Arizona, as follows:

Section 1. The City Council hereby authorizes and directs the City Manager or designee to bid at the Arizona State Land Department auction to attempt to acquire the Property and to bid in an amount equal to the Arizona State Land Department's appraised value of the Property and such additional reasonable amounts as may be necessary to secure any or all of the Property if the bidding is higher.

Section 2. The City Manager or designee is hereby authorized and directed to pay such refundable and nonrefundable deposits, fees and other amounts and to make decisions and render such performance as necessary to comply with Arizona State Land auction rules and to secure purchase of the Property and make payment in full within the time limits set forth under the rules of the auction.

Section 3. That upon being named the successful bidder, the City Treasurer is authorized to utilize funds from the City's cash investment portfolio to pay the full purchase price of the Preserve land upon the condition that the City Treasurer sign a reimbursement declaration that will allow the City to be reimbursed by the sale of tax exempt obligation Preserve bonds and that the City Treasurer, with the assistance of bond counsel, proceed in preparing any necessary bond documents to be brought before the City Council for its approval prior to the bond sale.

Section 4. That after securing title to the Property, a Conservation Easement shall be placed over the Property as required by the Growing Smarter Program and that the City accept the matching funds from the Arizona State Parks Board .

Section 5. That excluding the right-of-way along Dynamite Road and 128th Street the Property is suitable for mountain and desert preservation and that after recording of the Conservation Easement, the Property excluding the right-of-way is designated as Preserve Land.

Section 6. That in order to meet the payment deadlines under the auction rules as set by the Arizona State Land Department, it is necessary to conclude the City's purchase and payment in full by January 13, 2012, an emergency is hereby declared to

exist and this Resolution shall be in full force and effect from and after its final passage and adoption by the Council of the City of Scottsdale.

Section 7. That Mayor W.J. "Jim" Lane or his designee is hereby authorized to execute on behalf of the City of Scottsdale any document(s) as may be necessary to conclude acquisition of the Property, placement and recording of the Conservation Easement over the Property, and acceptance of grant funds.

PASSED AND ADOPTED by the Council of the City of Scottsdale, Maricopa County, Arizona this _____ day of _____, 2011.

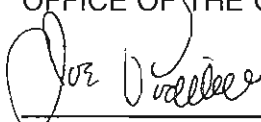
ATTEST:

CITY OF SCOTTSDALE, an
Arizona municipal corporation

By: _____
Carolyn Jagger, City Clerk

By: _____
W. J. "Jim" Lane, Mayor

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY

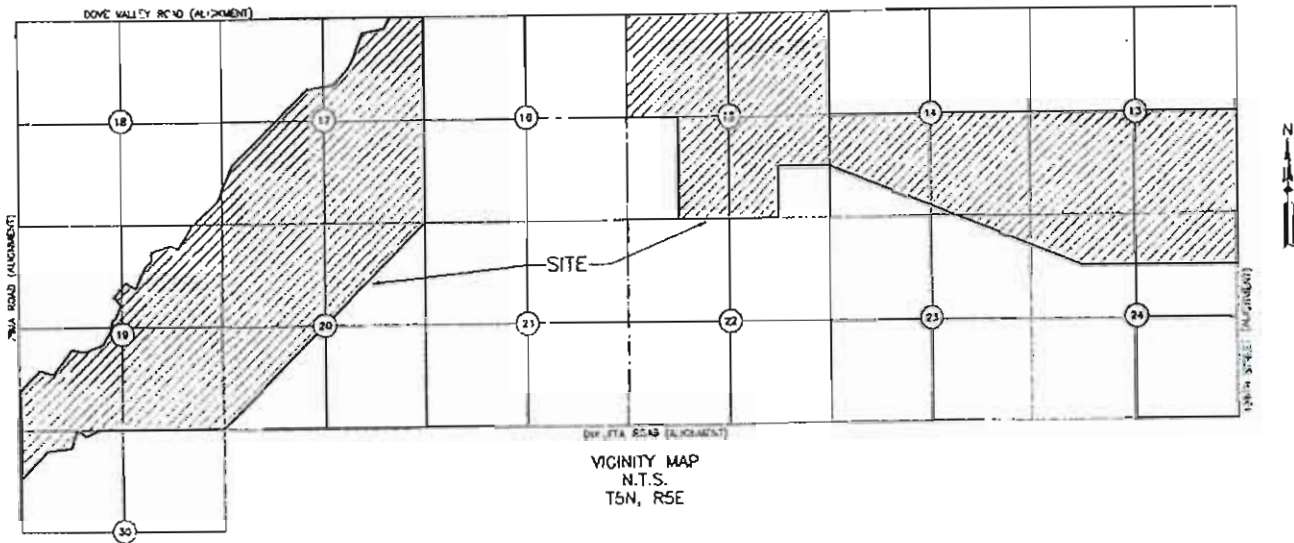


Bruce Washburn, City Attorney
By: Joe Padilla, Sr. Assistant City Attorney

EXHIBIT A

ALTA/ACSM LAND TITLE SURVEY OF MCDOWELL SONORAN PRESERVE

BEING PORTIONS OF SECTIONS 13-15, 17-20, 23, 24, AND 30,
TOWNSHIP 5 NORTH, RANGE 5 EAST OF THE GILA AND SALT RIVER MERIDIAN,
MARICOPA COUNTY, ARIZONA



LEGAL DESCRIPTION

PORTIONS OF SECTIONS 13, 14, 15, 17, 18, 19, 20, 23, 24, AND 30, T5N, R5E OF THE
GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA, MORE PARTICULARLY DESCRIBED
AS FOLLOWS:

THE SOUTH 1/2 OF SAID SECTION 13.

THE SOUTH 1/2 OF SAID SECTION 14;

EXCEPT A PORTION OF THE SOUTHWEST QUARTER OF SAID SECTION 14 DESCRIBED AS
FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID SECTION 14;

THENCE N00°05'42"E ALONG THE WEST LINE OF SAID SOUTHWEST QUARTER, A DISTANCE OF
1320.28 FEET TO THE NORTHWEST CORNER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST
QUARTER OF SAID SECTION 14;

THENCE S68°18'53"E, A DISTANCE OF 3562.03 FEET TO THE SOUTH LINE OF THE SOUTHEAST
QUARTER OF SAID SECTION 14;

THENCE S89°55'45"W ALONG SAID SOUTH LINE, A DISTANCE OF 664.46 FEET TO THE SOUTH
QUARTER CORNER OF SAID SECTION 14;

THENCE S89°55'45"W ALONG THE SOUTH LINE OF SAID SOUTHWEST QUARTER, A DISTANCE OF
2647.66 FEET TO THE POINT OF BEGINNING.

ALL OF SECTION 15;

EXCEPT THE WEST 1/2 OF THE SOUTHWEST QUARTER; AND

EXCEPT THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER.

THAT PART OF THE NORTHEAST QUARTER OF SAID SECTION 23 DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID SECTION 23;

THENCE ALONG THE EAST LINE OF SAID NORTHEAST QUARTER S00°03'46"E, A DISTANCE OF
791.41 FEET;

THENCE N68°18'53"W, A DISTANCE OF 2135.17 FEET TO THE NORTH LINE OF SAID NORTHEAST
QUARTER;

THENCE ALONG SAID NORTH LINE N89°55'45"E, A DISTANCE OF 1983.19' TO THE POINT OF
BEGINNING.

THAT PART OF THE NORTH 1/2 OF THE NORTH 1/2 OF SAID SECTION 24 DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID SECTION 24;

THENCE ALONG THE EAST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 24, S00°04'34"E, A DISTANCE OF 1320.42 FEET;

THENCE S89°52'49"W, A DISTANCE OF 3962.70 FEET;

THENCE N68°18'53"W, A DISTANCE OF 1421.82 FEET TO THE WEST LINE OF THE NORTHWEST QUARTER OF SAID SECTION 24;

THENCE ALONG SAID WEST LINE N00°03'46"W, A DISTANCE OF 791.41 FEET TO THE NORTHWEST CORNER OF SAID SECTION 24;

THENCE ALONG THE NORTH LINE OF SAID NORTHWEST QUARTER N89°52'39"E, A DISTANCE OF 2641.37 FEET TO THE NORTH QUARTER CORNER OF SAID SECTION 24;

THENCE ALONG THE NORTH LINE OF SAID NORTHEAST QUARTER N89°51'51"E, A DISTANCE OF 2641.64 FEET TO THE POINT OF BEGINNING.

THAT PART OF SAID SECTION 17 DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID SECTION 17;

THENCE ALONG THE SOUTH LINE OF SAID SECTION 17 S89°51'48"W, A DISTANCE OF 2645.50 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 17;

THENCE CONTINUING ALONG SAID SOUTH LINE S89°49'44"W, A DISTANCE OF 2633.41 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 17;

THENCE ALONG THE WEST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 17 N00°02'10"W, A DISTANCE OF 897.07 FEET;

THENCE N21°56'09"E, A DISTANCE OF 838.87 FEET;

THENCE N45°26'51"E, A DISTANCE OF 2472.97 FEET;

THENCE N68°31'22"E, A DISTANCE OF 858.50 FEET;

THENCE N45°03'47"E, A DISTANCE OF 848.82 FEET;

THENCE N20°06'49"E, A DISTANCE OF 601.72 FEET;

THENCE N78°52'32"E, A DISTANCE OF 451.92 FEET;

THENCE N30°14'46"E, A DISTANCE OF 365.85 FEET TO THE NORTH LINE OF SAID SECTION 17;

THENCE ALONG SAID NORTH LINE N89°54'37"E, A DISTANCE OF 968.16 FEET TO THE NORTHEAST CORNER OF SAID SECTION 17;

THENCE ALONG THE EAST LINE OF SAID SECTION 17 S00°01'56"E, A DISTANCE OF 2636.22 FEET TO THE EAST QUARTER CORNER OF SAID SECTION 17;

THENCE CONTINUING ALONG SAID EAST LINE S00°00'16"W, A DISTANCE OF 2643.42 FEET TO THE SOUTHEAST CORNER OF SAID SECTION 17 AND THE POINT OF BEGINNING.

THAT PART OF THE SOUTHEAST QUARTER OF SAID SECTION 18 DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID SECTION 18;

THENCE ALONG THE SOUTH LINE OF SAID SOUTHEAST QUARTER S89°55'22"W, A DISTANCE OF 766.56 FEET;

THENCE LEAVING SAID SOUTH LINE N47°11'18"E, A DISTANCE OF 891.01 FEET;

THENCE N20°31'35"E, A DISTANCE OF 206.75 FEET;

THENCE N21°56'09"E, A DISTANCE OF 106.69 FEET TO THE EAST LINE OF SAID SOUTHEAST QUARTER;

THENCE ALONG SAID EAST LINE S00°02'10"E, A DISTANCE OF 897.07 FEET TO THE SOUTHEAST CORNER OF SAID SECTION 18 AND THE POINT OF BEGINNING.

THAT PART OF SAID SECTION 19 DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID SECTION 19;

THENCE ALONG THE SOUTH LINE OF SAID SECTION 19 S89°51'02"W, A DISTANCE OF 2637.57 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 19;

THENCE CONTINUING ALONG SAID SOUTH LINE S89°44'56"W, A DISTANCE OF 2632.92 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 19;

THENCE ALONG THE WEST LINE OF SAID SECTION 19 N00°12'33"W, A DISTANCE OF 1114.71 FEET;

THENCE LEAVING SAID WEST LINE N89°47'16"E, A DISTANCE OF 75.00 FEET;

THENCE N43°22'18"E, A DISTANCE OF 601.73 FEET;

THENCE N85°18'11"E, A DISTANCE OF 196.87 FEET;

THENCE N49°54'22"E, A DISTANCE OF 927.56 FEET;

THENCE N69°34'08"E, A DISTANCE OF 863.41 FEET;

THENCE N19°25'05"E, A DISTANCE OF 911.24 FEET;

THENCE N38°15'20"W, A DISTANCE OF 134.49 FEET;

THENCE N38°49'34"E, A DISTANCE OF 468.54 FEET;

THENCE S60°07'37"E, A DISTANCE OF 305.99 FEET;

THENCE N24°58'46"E, A DISTANCE OF 645.30 FEET;

THENCE N47°15'18"E, A DISTANCE OF 193.51 FEET;

THENCE N01°15'58"W, A DISTANCE OF 227.60 FEET;

THENCE N72°35'48"E, A DISTANCE OF 522.04 FEET;

THENCE S72°42'39"E, A DISTANCE OF 219.83 FEET;

THENCE N34°58'00"E, A DISTANCE OF 277.54 FEET;

THENCE N30°27'11"E, A DISTANCE OF 390.02 FEET;

THENCE N47°11'18"E, A DISTANCE OF 65.39 FEET TO THE NORTH LINE OF SAID SECTION 19;

THENCE ALONG SAID NORTH LINE N89°55'22"E, A DISTANCE OF 766.56 FEET TO THE NORTHEAST CORNER OF SAID SECTION 19;

THENCE ALONG THE EAST LINE OF SAID SECTION 19 S00°02'31"E, A DISTANCE OF 2635.14 FEET TO THE EAST QUARTER CORNER OF SAID SECTION 19;

THENCE CONTINUING ALONG SAID EAST LINE S00°02'25"E, A DISTANCE OF 2635.15 FEET TO THE SOUTHEAST CORNER OF SAID SECTION 19 AND THE POINT OF BEGINNING.

THE NORTHWEST HALF OF SAID SECTION 20 DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID SECTION 20;

THENCE ALONG THE WEST LINE OF SAID SECTION 20 N00°02'25"W, A DISTANCE OF 2635.15 FEET TO THE WEST QUARTER CORNER OF SAID SECTION 20;

THENCE CONTINUING ALONG SAID WEST LINE N00°02'31"W, A DISTANCE OF 2635.14 FEET TO THE NORTHWEST CORNER OF SAID SECTION 20;

THENCE ALONG THE NORTH LINE OF SAID SECTION 20 N89°49'44"E, A DISTANCE OF 2633.41 FEET TO THE NORTH QUARTER CORNER OF SAID SECTION 20;

THENCE CONTINUING ALONG SAID NORTH LINE N89°51'48"E, A DISTANCE OF 2645.50 FEET TO THE NORTHEAST CORNER OF SAID SECTION 20;

THENCE S44°56'57"W, A DISTANCE OF 7466.74 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 20 AND THE POINT OF BEGINNING.

THAT PART OF THE NORTH HALF OF SAID SECTION 30 DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SAID SECTION 30;

THENCE ALONG THE NORTH LINE OF SAID SECTION 30 N89°44'56"E, A DISTANCE OF 2632.92 FEET TO THE NORTH QUARTER CORNER OF SAID SECTION 30;

THENCE LEAVING SAID NORTH LINE S73°36'54"W, A DISTANCE OF 740.39 FEET;

THENCE N73°13'01"W, A DISTANCE OF 492.46 FEET;

THENCE S24°15'59"W, A DISTANCE OF 430.36 FEET;

THENCE S82°39'52"W, A DISTANCE OF 614.84 FEET;

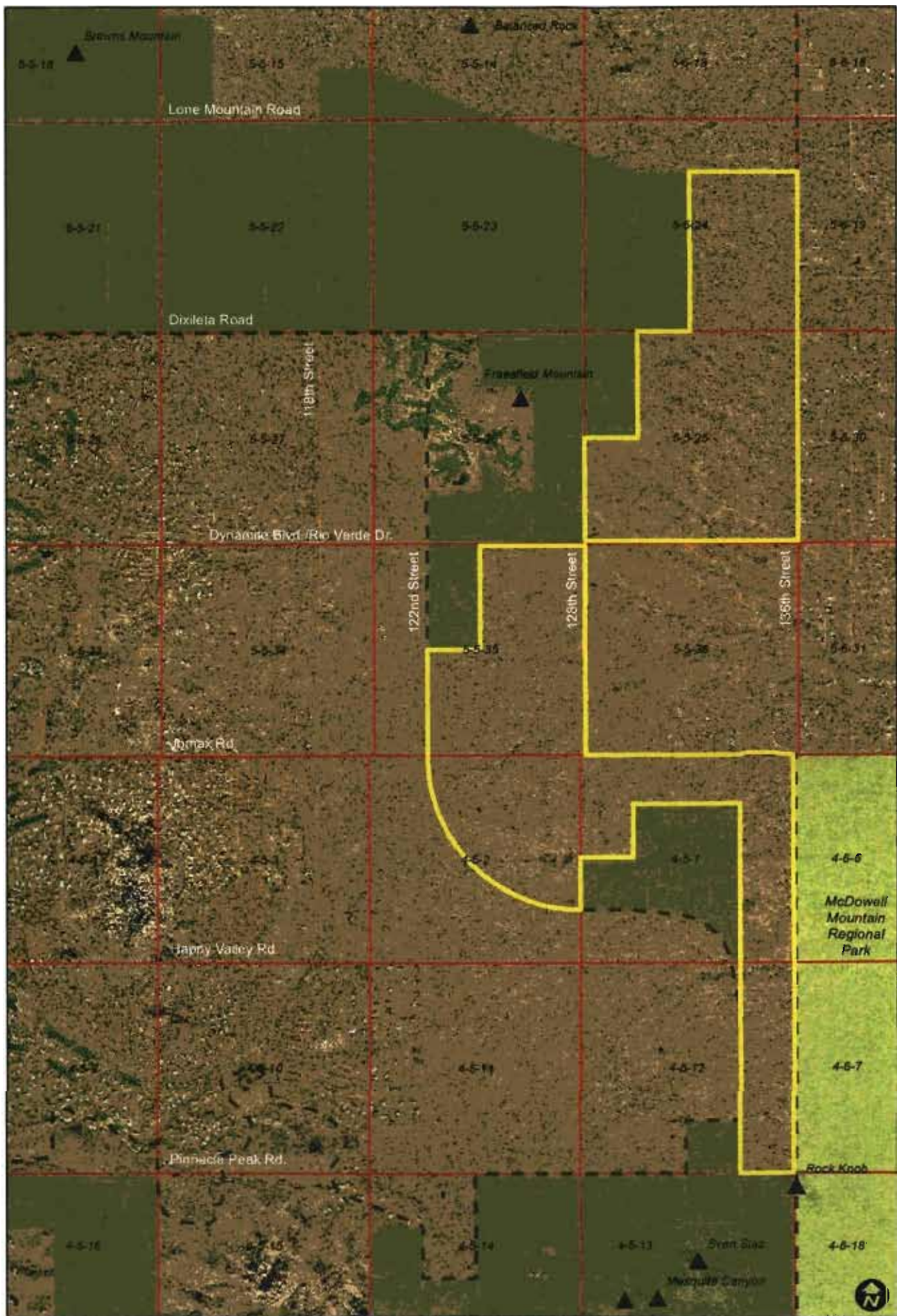
THENCE S43°31'14"W, A DISTANCE OF 847.91 FEET;

THENCE S89°43'31"W, A DISTANCE OF 75.00 FEET TO THE WEST LINE OF SAID SECTION 30;

THENCE ALONG SAID WEST LINE N00°16'41"W, A DISTANCE OF 1141.18 FEET TO THE NORTHWEST CORNER OF SAID SECTION 30 AND THE POINT OF BEGINNING.

GROSS AREA

THE LAND DESCRIBED HEREIN CONTAINS 2,482.24 ACRES MORE OR LESS.

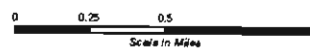


Priority 2 - Proposed 2011 State Land Acquisition - City of Scottsdale - McDowell Sonoran Preserve

Map Date: March 2011
Photo Date: Nov. 2007



- Proposed Acquisition (1,929 ac.)
- Township-Range-Section
- City of Scottsdale Lands
- Parcel Boundaries









Attachment 3
Parcel 1 Map



Priority 3 - Proposed 2011 State Land Acquisition - City of Scottsdale - McDowell Sonoran Preserve

Map Date: October 2011
Photo Date: Nov. 2007

| | | | |
|--|--|---|--------------------------------------|
|   | <p>  Proposed Acquisition (2,482 ac.)  Township-Range-Section </p> <p>  City of Scottsdale Lands  Parcel Boundaries </p> | <p>0 0.25 0.5 1</p> <p>Scale in Miles</p> | <p>Attachment 4 Parcel 2 Map</p> |
|--|--|---|--------------------------------------|

**ARIZONA STATE LAND DEPARTMENT
1616 WEST ADAMS STREET
PHOENIX, ARIZONA 85007**

PUBLIC AUCTION SALE NO. 53-115505

Pursuant to A.R.S. Title 37, notice is hereby given that the state of Arizona through its Arizona State Land Department (herein called ASLD), will sell at Public Auction to the highest and best bidder at 10:00 a.m. on Wednesday, December 7, 2011, at the Arizona State Land Department, 1616 West Adams Street, Lower Level Auditorium, Phoenix, Arizona, trust lands situated in Maricopa County to wit:

TOWNSHIP 4 NORTH, RANGE 5 EAST, G&SRM, MARICOPA COUNTY, ARIZONA

PARCEL: LOT 1; SENE; E2SE; LOTS 2 THRU 4; SWNW, SECTION 1, CONTAINING 309.13 ACRES, MORE OR LESS

PARCEL: LOTS 1 AND 2; S2NE; M & B IN LOT 3; SENW; N2SE, SECTION 2, CONTAINING 267.52 ACRES, MORE OR LESS

PARCEL: E2E2, SECTION 12, CONTAINING 160.24 ACRES, MORE OR LESS

TOWNSHIP 5 NORTH, RANGE 5 EAST, G&SRM, MARICOPA COUNTY, ARIZONA

PARCEL: S2NE; SE, SECTION 24, CONTAINING 240.16 ACRES, MORE OR LESS

PARCEL: E2; E2NW; SW, SECTION 25, CONTAINING 560.05 ACRES, MORE OR LESS

PARCEL: E2; E2SW, SECTION 35, CONTAINING 400.09 ACRES, MORE OR LESS

TOTAL ACRES, CONTAINING 1,937.19 ACRES, MORE OR LESS

LOCATION: WEST OF 136TH STREET, BETWEEN PINNACLE PEAK ROAD AND LONE MOUNTAIN ROAD ALIGNMENTS, SCOTTSDALE, ARIZONA.

**BENEFICIARIES: MINERS HOSPITAL FOR DISABLED MINERS
PERMANENT COMMON SCHOOLS
PERMANENT COMMON SCHOOLS (INDEMNITY SELECTIONS)**

For a complete legal description of the land, prospective bidders are advised to examine the purchase application file as well as all pertinent files of ASLD.

The land has been appraised at \$41,000,000.00 and consists of 1,937.19 acres, more or less. The appraised value of the improvements is \$6,012.00. The owners of the improvements are AmTitle Trust Co., Trust 6369 and Van Irvine. A complete list of the improvements is available for viewing at ASLD.

The above described lands are sold subject to existing reservations, easements, or rights of way.

The ASLD does not represent or warrant that access exists over lands, which may intervene respectively between the above parcel(s) and the nearest public roadway.

The complete file associated with the described land is open to public inspection at the ASLD, 1616 West Adams Street, Phoenix, Arizona, from 8:00 a.m. to 4:30 p.m., exclusive of holidays and weekends. Please direct any questions regarding this Public Auction to the Real Estate Division of ASLD at (602) 542-3000. This auction notice is available on the ASLD's web site at www.land.state.az.us.

Pursuant to the provisions of A.R.S. §37-231, the state of Arizona or its predecessor in title, reserve and retain all rights and all forms of access to all oil, gas, minerals, hydrocarbon substances and gaseous substances or any other material which is essential to the production of fissionable materials as provided by the rules and regulations of ASLD and the laws of Arizona.

Each potential bidder must show ASLD's representative a cashier's check made payable to the Arizona State Land Department in the amount specified under Terms of Sale Paragraph (A) below.

TERMS OF SALE:

(A) *At the time of sale* the successful bidder must pay the following by a cashier's check: (1) 10% of the appraised value of the land, which is \$4,100,000.00; (2)(a) A Selling and Administrative Fee of 2% of the appraised value of the lands, which is \$820,000.00; (b) A Selling and Administrative Fee of 2% of the appraised value of the improvements, which is \$120.24; (3) 10% of the appraised value of the improvements, which is \$601.20; (4) Reimbursable Estimated Advertising Fee which is \$5,000.00; (5) Reimbursable Appraisal Fee which is \$7,575.00; (6) Reimbursable Costs and Expenses, which are \$59,419.00; (7) Patent Fee of \$200.00. The total amount due at the time of sale is \$4,992,915.44 (less \$561.20 if the successful bidder is the owner of the AmTitle Trust 6369 improvements, for a total amount due of \$4,992,354.24 OR less \$40.00 if the successful bidder is the owner of the Van Irvine improvements, for a total amount due of \$4,992,875.44 OR less \$71,994.00 if the successful bidder is the applicant, for a total amount due of \$4,920,921.44).

(B) Within 30 days after the auction date the successful bidder must pay the full balance of the amount bid for the land and pay a Selling and Administrative Fee of 2% of the purchase price, less the amount paid under (A)(2)(a) above.

(C) Within 30 days after the auction date the successful bidder must pay the full balance of the amount owed for the improvements less the amount paid under (A)(3) above. If the successful bidder is the owner of the improvements no payment for the improvements is due.

(D) Within 30 days after the auction date the successful bidder must pay the actual legal advertising cost, less the amount paid under (A)(4) above.

(E) The ASLD Commissioner has determined that, when and if the successful bidder performs all acts required to become entitled to a Patent, a Broker Commission shall be paid from the

Selling and Administrative Fee collected by ASLD pursuant to A.R.S. § 37-107 (B)(1) to a broker otherwise eligible to receive a commission under Arizona Administrative Code: Title 12. Natural Resources: Chapter 5. Land Department: Article 4. Sales (R12-5-413). **The Broker Commission shall not exceed \$500,000.00 and shall be paid from the Selling and Administrative Fee.** Any fee collected in excess of a brokerage commission paid shall be collected and retained by ASLD. **No commission shall be paid to the broker until a Patent has been issued to the successful bidder by ASLD.**

(F) No Selling and Administrative Fee shall be collected by ASLD if the successful bidder at auction is the beneficiary of the land trust.

ADDITIONAL CONDITION(S):

(A) The patent for the subject property shall include the following conditions and restrictions:

There are known Register Eligible Sites within the subject property. Purchaser shall cause no ground disturbance within 100 feet of the identified cultural sites, including historic buildings and structures, and objects located on the property that are significant in this state's history, architecture, archaeology or culture and that meet eligibility criteria which the Arizona State Parks Board established for listing on the Arizona Register of Historic Places or which are listed on the National Register of Historic Places ("Register Eligible Site or Sites"). If ground disturbing activities will or may impact a Register Eligible Site or Sites, purchaser shall consult with the State Historic Preservation Office and otherwise take such actions as are necessary to avoid, preserve, protect, or mitigate impacts on the Register Eligible Site or Sites. In the event that avoidance, preservation and protection of the Register Eligible Site or Sites cannot be accomplished, purchaser shall ensure that a Data Recovery Plan is developed in consultation with and acceptable to the Arizona State Museum and the State Historic Preservation Office, and that the Data Recovery Plan is implemented prior to the Register Eligible Site or Sites being affected. This condition shall run with the land, and be binding on the purchaser's heirs, successors and assigns.

(B) In the event the successful bidder is the recipient of monies granted pursuant to A.R.S. § 41-511.23.G.2 specifically for the purchase of the Subject Parcel, the patent for the subject property shall include the following condition and restriction:

Purchaser shall allow reasonable permanent access to private lands pursuant to A.R.S. §§ 41-511.23.G.2(a) and 37-312.01.

BIDDING INFORMATION:

(A) The time of sale shall be deemed to be the time of declaration of the highest and best bidder. The bidding will begin at the total appraised value of \$41,000,000.00. A bid for less than the appraised value of the land or by a party who has not inspected the land and/or the associated files and records of ASLD will not be considered. Additional bidding increments shall be a minimum of \$100,000.00 thereafter. Bidding will be conducted orally.

(B) All bidders must sign an affidavit stating that they have undertaken due diligence in preparation for the auction, that their representative is authorized to bid and bind the bidder and

that they are purchasing the property AS IS. It is the bidder's responsibility to research the records of local jurisdictions, all ASLD files pertinent to the purchase application file including the purchase application file, and all other public agencies regarding this property. Notice is hereby given that the property shall be purchased in an "AS-IS" condition "WITH ALL FAULTS," with no representation or warranty being made by ASLD of any type or nature. All bidders shall acknowledge and agree pursuant the aforementioned affidavit that they are purchasing the property solely upon the basis of their own due diligence and investigation of the property and not on the basis or any representation, express or implied, written or oral, made by ASLD or its agents or employees, except as set forth in writing herein. Without limiting the generality of the foregoing, notice is hereby given that ASLD makes no warranty as to the following: (a) the physical condition or any other aspect of the property, including, but not limited to, the uses to which the property may be put, the ability to construct additional improvements or modify existing improvements on any portion of the property or the ability to obtain building permits for any portion of the property, the conformity of the property to past, current or future applicable landscaping, parking, zoning or building code requirements, the existence of soil instability, past soil repairs, soil additions or conditions of soil fill, susceptibility to landslides, sufficiency of undershoring, water retention characteristics of the property, drainage onto or off of the property, the location of the property either wholly or partially in a flood plain or a flood hazard boundary or similar area, or any other matter affecting the stability or integrity of the land or any improvements constituting the property; or (b) the sufficiency of the property for purchaser's purposes or as to its continued operating conditions or usefulness. All implied warranties, including, without limitation, **WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE**, are hereby expressly disclaimed. This notice shall survive the delivery of the Certificate of Purchase and Patent for the subject property.

(C) Pursuant to A.R.S. §37-240.B, the successful bidder must be authorized to transact business in the state of Arizona no later than three (3) business days after the auction. The successful bidder must sign an affidavit stating it is the successful bidder and sign a Certification Statement pursuant to A.R.S. Title 37 and the Rules of ASLD.

(D) If the successful bidder fails to complete the payments as stated in the auction notice together with the additional required fees within 30 days from the auction date, all amounts paid at the time of auction by the successful bidder will be forfeited.

(E) In the event of forfeiture, the ASLD Commissioner may declare that the bid placed before the final bid accepted is the highest bid, and that the bidder has five (5) days after notification by ASLD to pay by cashier's check all amounts due.

(F) A representative of the bidder, other than the registered broker/salesperson, must attend and bid on behalf of the bidder.

BROKER INFORMATION:

In the event the potential bidder is represented by a broker seeking a broker commission pursuant to A.R.S. §37-132(B)(2), it is the responsibility of both the potential bidder and the designated broker to register with ASLD no later than three (3) business days prior to the date of auction. Registration must be submitted on the ASLD's Broker Registration/Bidder Certification form in

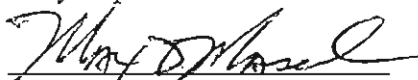
accordance with R12-5-413. Original signatures of Broker, Salesperson, and Potential Bidder must all appear on one form. Facsimile copies will not be accepted by ASLD. The real estate broker/salesperson of the successful bidder who has so registered with ASLD for this Auction will be required to sign an affidavit that he/she is licensed pursuant to A.R.S. §32-2101, et. seq., identify his/her client as the successful bidder, has no other affiliation with the successful bidder other than as a procuring broker and that he/she actually procured the successful bidder for this Auction. **Broker Registration forms will not be accepted by ASLD for Public Auction No. 53-115505 after 5:00 p.m. on Friday, December 2, 2011.**

GENERAL INFORMATION:

The ASLD may cancel this auction in whole or in part at any time prior to the acceptance of a final bid.

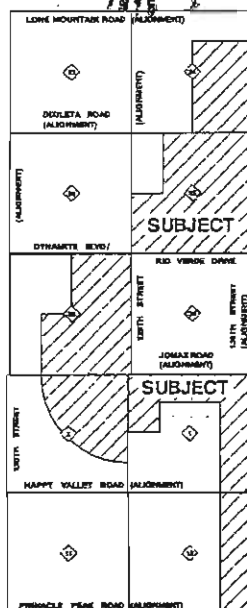
A protest to this sale must be filed within 30 days after the first day of publication of this announcement and in accordance with A.R.S. §37-301.

Persons with a disability may request a reasonable accommodation such as a sign language interpreter, by contacting the ADA Coordinator, at (602) 364-0875. Requests should be made as early as possible to allow time to arrange the accommodation.


Max D. Masel
(for) Maria Baier
State Land Commissioner



9-12-11
Date



Disclaimer: This map is designed for general overview purposes only. Unless otherwise stated all depictions are approximate. Prospective bidders should review all information in ASLD's records relating to the property and seek technical or legal advice as needed to assure the understanding of all legal descriptions, plat maps, surveys, and other documents relevant to the property. Contact ASLD, Real Estate Division at (602) 542-3000 for additional information.

STATE LAND DEPARTMENT OF THE STATE OF ARIZONA
BEFORE THE STATE LAND COMMISSIONER

IN THE MATTER OF APPLICATION TO) ORDER NO. 056 -2011/2012
PURCHASE NO. 53-115505 FOR THE STATE)
LAND DESCRIBED AS:) AUTHORIZATION OF SALE
SEE ATTACHED EXHIBIT A) AND ORDER CLOSING LAND TO
LEGAL DESCRIPTION) ENTRY AND LOCATION
APPLICANT: CITY OF SCOTTSDALE)

The State Land Commissioner authorizes the sale of the subject lands and improvements (if applicable) according to the provisions of the law, for not less than the appraised value, with additional conditions made part of the subject sale, and on file at the Department.

The State Land Commissioner has determined that the interests of the State will not be prejudiced by the sale.

IT IS ORDERED that the lands and improvements (if applicable) as referenced in the caption of this Order, be sold to the highest and best bidder at public auction.

IT IS FURTHER ORDERED that pursuant to A.R.S. § 37-231(E)(2) any mineral rights reserved to the State in the subject lands shall be closed to entry and location as a mineral claim or claims, effective the date of this Order, provided that the State Land Department may issue, upon application, mineral prospecting permits embracing the reserved mineral rights when such issuance is deemed in the best interest of the state. If the subject land is not sold within six months of the date this order is issued, IT IS ORDERED that any mineral rights reserved to the State in the subject lands shall automatically be opened to entry and location as a mineral claim or claims.

GIVEN under my hand and the official seal of the Arizona State Land Department this 15th day of September, 2011.



MARIA BAIER
State Land Commissioner

by:

This is an appealable agency action. Pursuant to A.R.S. § 41-1092.03, if you are directly or adversely affected by this decision, the party may request a hearing within thirty (30) days of the date the notice is received. A request for a hearing must be in writing and filed with the Department, and must state the appellant's name and address, the specific action or actions of the Department which are the basis of the hearing request, and a concise statement of the reasons for this appeal. The appellant also has the right to an informal settlement conference pursuant to A.R.S. § 41-1092.06, if it is requested in writing and filed with the Department no later than twenty (20) days before the hearing.

Pursuant to Rule 31(c)(11) of the Arizona Supreme Court, in proceedings before the Office of Administrative Hearings, a legal entity may be represented by a full-time officer, partner, member or manager of a limited liability company, or employee, provided that: the legal entity has specifically authorized such person to represent it in the particular matter; such representation is not the person's primary duty to the legal entity, but secondary or incidental to other duties relating to the management or operation of the legal entity; and the person is not receiving separate or additional compensation (other than reimbursement for costs) for such representation.

The request must be sent to the State Land Department, Attention: Director, Land Information Title & Transfer Division. If the request for a hearing is not timely filed, the decision of the Commissioner may be final and not subject to further review.

In accordance with Title II of the Americans with Disabilities Act (ADA), the Arizona State Land Department does not discriminate on the basis of disability in the provision of its programs, services and activities.

Persons with a disability may request a reasonable accommodation such as a sign language interpreter by contacting the Department's ADA Coordinator at (602) 364-0875. Request should be made as early as possible to allow time to arrange the accommodation.

Copy of the foregoing mailed/
delivered this 15th day
of September, 2011, to:

Certified No. 91 7108 2133 3932 4721 8035

City of Scottsdale
Attn: Kroy S. Ekblaw
7447 E. Indian School Rd., Ste. 300
Scottsdale, AZ 85251

Order 056 -2011/2012
Authorization of Sale 53-115505
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Certified No. 91 7108 2133 3932 4721 8042
18-85401

Arizona Public Service Co.
Land Office
Attn: Jim Looney
P.O. Box 53933, Mail Station 3016
Phoenix, AZ 85072-3933

Certified No. 91 7108 2133 3932 4721 8059
23-113395-26

McDowell Sonoran Land Trust
Attn: Linda Raish
16435 N. Scottsdale Rd., Ste. 110
Scottsdale, AZ 85254

Certified No. 91 7108 2133 3932 4721 8066
23-113945-26

McDowell Sonoran Conservancy
Attn: Steve Dodd
16435 N. Scottsdale Rd., Ste. 110
Scottsdale, AZ 85254

Certified No. 91 7108 2133 3932 4721 8073
23-107293-03

Cave Creek Outfitters
Attn: Todd Masden
31313 North 144th Street
Scottsdale, AZ 85262

Certified No. 91 7108 2133 3932 4721 8080
23-107456-03

Arizona Desert Events
Attn: Doreen O'Connell
3326 East Renee Drive
Phoenix, AZ 85050

Copy to: Attorney General's Office, Natural Resources Section
Minerals Section
Water Rights and Agriculture Section
Engineering Section
Right of Way Section
Public Notice Board
File Nos. 53-115505, 18-85401, 23-113395-26,
23-113945-26, 23-107293-03, 23-107456-03



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EXHIBIT A
LEGAL DESCRIPTION
53-115505

LOT 1; SENE; E2SE; LOTS 2 THRU 4; SWNW, SECTION 1, TOWNSHIP 4 NORTH, RANGE 5 EAST, G&SRM, MARICOPA COUNTY, ARIZONA, CONTAINING 309.13 ACRES, MORE OR LESS.

LOTS 1 AND 2; S2NE; M & B IN LOT 3; SENW; N2SE, SECTION 2, TOWNSHIP 4 NORTH, RANGE 5 EAST, G&SRM, MARICOPA COUNTY, ARIZONA, CONTAINING 267.52 ACRES, MORE OR LESS.

E2E2, SECTION 12, TOWNSHIP 4 NORTH, RANGE 5 EAST, G&SRM, MARICOPA COUNTY, ARIZONA, CONTAINING 160.24 ACRES, MORE OR LESS.

S2NE; SE, SECTION 24, TOWNSHIP 5 NORTH, RANGE 5 EAST, G&SRM, MARICOPA COUNTY, ARIZONA, CONTAINING 240.16 ACRES, MORE OR LESS.

E2; E2NW; SW, SECTION 25, TOWNSHIP 5 NORTH, RANGE 5 EAST, G&SRM, MARICOPA COUNTY, ARIZONA, CONTAINING 560.05 ACRES, MORE OR LESS.

E2; E2SW, SECTION 35, TOWNSHIP 5 NORTH, RANGE 5 EAST, G&SRM, MARICOPA COUNTY, ARIZONA, CONTAINING 400.09 ACRES, MORE OR LESS.

TOTAL ACRES, CONTAINING 1,937.19 ACRES, MORE OR LESS.

ARIZONA STATE LAND DEPARTMENT
1616 WEST ADAMS STREET
PHOENIX, ARIZONA 85007

PUBLIC AUCTION SALE NO. 53-115506

Pursuant to A.R.S. Title 37, notice is hereby given that the state of Arizona through its Arizona State Land Department (herein called ASLD), will sell at Public Auction to the highest and best bidder at 10:00 a.m. on Wednesday, December 14, 2011, at the Arizona State Land Department, 1616 West Adams Street, Lower Level Auditorium, Phoenix, Arizona, trust lands situated in Maricopa County to wit:

TOWNSHIP 5 NORTH, RANGE 5 EAST, G&SRM, MARICOPA COUNTY, ARIZONA

PARCEL: S2, SECTION 13, CONTAINING 320.25 ACRES, MORE OR LESS

PARCEL: M & B IN S2, SECTION 14, CONTAINING 270.28 ACRES, MORE OR LESS

PARCEL: N2; E2SW; W2SE; NESE, SECTION 15, CONTAINING 519.46 ACRES, MORE OR LESS

PARCEL: M & B IN E2; S2NW; SW, SECTION 17, CONTAINING 443.74 ACRES, MORE OR LESS

PARCEL: M & B IN SESE, SECTION 18, CONTAINING 6.49 ACRES, MORE OR LESS

PARCEL: M & B IN LOTS 3 AND 4; E2; E2SW, SECTION 19, CONTAINING 408.30 ACRES, MORE OR LESS

PARCEL: NW2, SECTION 20, CONTAINING 319.35 ACRES, MORE OR LESS

PARCEL: M & B IN NENE, SECTION 23, CONTAINING 18.02 ACRES, MORE OR LESS

PARCEL: M & B IN N2N2, SECTION 24, CONTAINING 152.07 ACRES, MORE OR LESS

PARCEL: M & B IN LOT 1, SECTION 30, CONTAINING 24.28 ACRES, MORE OR LESS

TOTAL ACRES CONTAINING 2482.24 ACRES, MORE OR LESS

LOCATION: EAST OF PIMA ROAD ALIGNMENT, BETWEEN DIXILETA DRIVE AND DOVE VALLEY ROAD ALIGNMENTS, SCOTTSDALE, ARIZONA.

BENEFICIARY: PERMANENT COMMON SCHOOLS (INDEMNITY SELECTIONS)

For a complete legal description of the land, prospective bidders are advised to examine the purchase application file as well as all pertinent files of ASLD.

The land has been appraised at \$45,000,000.00 and consists of 2,482.24 acres, more or less. The appraised value of the improvements is \$21,480.00. The owner of the improvements are AmTitle Trust Co., Trust 6369 and AmTitle Trust Co., Trustee. A complete list of the improvements is available for viewing at ASLD.

The above described lands are sold subject to existing reservations, easements, or rights of way.

The ASLD does not represent or warrant that access exists over lands, which may intervene respectively between the above parcel(s) and the nearest public roadway.

The complete file associated with the described land is open to public inspection at the ASLD, 1616 West Adams Street, Phoenix, Arizona, from 8:00 a.m. to 4:30 p.m., exclusive of holidays and weekends. Please direct any questions regarding this Public Auction to the Real Estate Division of ASLD at (602) 542-3000. This auction notice is available on the ASLD's web site at www.land.state.az.us.

Pursuant to the provisions of A.R.S. §37-231, the state of Arizona or its predecessor in title, reserve and retain all rights and all forms of access to all oil, gas, minerals, hydrocarbon substances and gaseous substances or any other material which is essential to the production of fissionable materials as provided by the rules and regulations of ASLD and the laws of Arizona.

Each potential bidder must show ASLD's representative a cashier's check made payable to the Arizona State Land Department in the amount specified under Terms of Sale Paragraph (A) below.

TERMS OF SALE:

(A) *At the time of sale* the successful bidder must pay the following by a cashier's check: (1) 10% of the appraised value of the land, which is \$4,500,000.00; (2)(a) A Selling and Administrative Fee of 2% of the appraised value of the lands, which is \$900,000.00; (b) A Selling and Administrative Fee of 2% of the appraised value of the improvements, which is \$429.60; (3) 10% of the appraised value of the improvements, which is \$2,148.00; (4) Reimbursable Estimated Advertising Fee which is \$5,000.00; (5) Reimbursable Appraisal Fee which is \$7,575.00; (6) Reimbursable Costs and Expenses, which are \$69,442.70; (7) Patent Fee of \$200.00. The total amount due at the time of sale is \$5,484,795.30 (less \$50.00 if the successful bidder is the owner of the AmTitle Trust Co., Trust 6369 improvements, for a total amount due of \$5,484,745.30 OR less \$2,098.00 if the successful bidder is the owner of the AmTitle Trust Co., Trustee improvements, for a total amount due of \$5,482,697.30 OR less \$82,017.70 if the successful bidder is the applicant, for a total amount due of \$5,402,777.60).

(B) Within 30 days after the auction date the successful bidder must pay the full balance of the amount bid for the land and pay a Selling and Administrative Fee of 2% of the purchase price, less the amount paid under (A)(2)(a) above.

(C) Within 30 days after the auction date the successful bidder must pay the full balance of the amount owed for the improvements less the amount paid under (A)(3) above. If the successful bidder is the owner of the improvements no payment for the improvements is due.

(D) Within 30 days after the auction date the successful bidder must pay the actual legal advertising cost, less the amount paid under (A)(4) above.

(E) The ASLD Commissioner has determined that, when and if the successful bidder performs all acts required to become entitled to a Patent, a Broker Commission shall be paid from the Selling and Administrative Fee collected by ASLD pursuant to A.R.S. § 37-107 (B)(1) to a broker otherwise eligible to receive a commission under Arizona Administrative Code: Title 12. Natural Resources: Chapter 5. Land Department: Article 4. Sales (R12-5-413). **The Broker Commission shall not exceed \$500,000.00 and shall be paid from the Selling and Administrative Fee.** Any fee collected in excess of a brokerage commission paid shall be collected and retained by ASLD. **No commission shall be paid to the broker until a Patent has been issued to the successful bidder by ASLD.**

(F) No Selling and Administrative Fee shall be collected by ASLD if the successful bidder at auction is the beneficiary of the land trust.

ADDITIONAL CONDITION(S):

(A) The patent for the subject property shall include the following conditions and restrictions:

(1) There are known Register Eligible Sites within the subject property. Purchaser shall cause no ground disturbance within 100 feet of the identified cultural sites, including historic buildings and structures, and objects located on the property that are significant in this state's history, architecture, archaeology or culture and that meet eligibility criteria which the Arizona State Parks Board established for listing on the Arizona Register of Historic Places or which are listed on the National Register of Historic Places ("Register Eligible Site or Sites"). If ground disturbing activities will or may impact a Register Eligible Site or Sites, purchaser shall consult with the State Historic Preservation Office and otherwise take such actions as are necessary to avoid, preserve, protect, or mitigate impacts on the Register Eligible Site or Sites. In the event that avoidance, preservation and protection of the Register Eligible Site or Sites cannot be accomplished, purchaser shall ensure that a Data Recovery Plan is developed in consultation with and acceptable to the Arizona State Museum and the State Historic Preservation Office, and that the Data Recovery Plan is implemented prior to the Register Eligible Site or Sites being affected. This condition shall run with the land, and be binding on the purchaser's heirs, successors and assigns.

(2) Purchaser shall, at no cost, allow for reasonable permanent access adjacent to the existing Pima Road Right-of-Way for public utility and roadway expansion to service State Trust Lands.

(B) In the event the successful bidder is the recipient of monies granted pursuant to A.R.S. § 41-511.23.G.2 specifically for the purchase of the Subject Parcel, the patent for the subject property shall include the following condition and restriction:

Purchaser shall allow reasonable permanent access to private lands pursuant to A.R.S. §§ 41-511.23.G.2(a) and 37-312.01.

BIDDING INFORMATION:

(A) The time of sale shall be deemed to be the time of declaration of the highest and best bidder. The bidding will begin at the total appraised value of \$45,000,000.00. A bid for less than the appraised value of the land or by a party who has not inspected the land and/or the associated files and records of ASLD will not be considered. Additional bidding increments shall be a minimum of \$100,000.00 thereafter. Bidding will be conducted orally.

(B) All bidders must sign an affidavit stating that they have undertaken due diligence in preparation for the auction, that their representative is authorized to bid and bind the bidder and that they are purchasing the property AS IS. It is the bidder's responsibility to research the records of local jurisdictions, all ASLD files pertinent to the purchase application file including the purchase application file, and all other public agencies regarding this property. Notice is hereby given that the property shall be purchased in an "AS-IS" condition "WITH ALL FAULTS," with no representation or warranty being made by ASLD of any type or nature. All bidders shall acknowledge and agree pursuant the aforementioned affidavit that they are purchasing the property solely upon the basis of their own due diligence and investigation of the property and not on the basis or any representation, express or implied, written or oral, made by ASLD or its agents or employees, except as set forth in writing herein. Without limiting the generality of the forgoing, notice is hereby given that ASLD makes no warranty as to the following: (a) the physical condition or any other aspect of the property, including, but not limited to, the uses to which the property may be put, the ability to construct additional improvements or modify existing improvements on any portion of the property or the ability to obtain building permits for any portion of the property, the conformity of the property to past, current or future applicable landscaping, parking, zoning or building code requirements, the existence of soil instability, past soil repairs, soil additions or conditions of soil fill, susceptibility to landslides, sufficiency of undershoring, water retention characteristics of the property, drainage onto or off of the property, the location of the property either wholly or partially in a flood plain or a flood hazard boundary or similar area, or any other matter affecting the stability or integrity of the land or any improvements constituting the property; or (b) the sufficiency of the property for purchaser's purposes or as to its continued operating conditions or usefulness. All implied warranties, including, without limitation, **WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE**, are hereby expressly disclaimed. This notice shall survive the delivery of the Certificate of Purchase and Patent for the subject property.

(C) Pursuant to A.R.S. §37-240.B, the successful bidder must be authorized to transact business in the state of Arizona no later than three (3) business days after the auction. The successful bidder must sign an affidavit stating it is the successful bidder and sign a Certification Statement pursuant to A.R.S. Title 37 and the Rules of ASLD.

(D) If the successful bidder fails to complete the payments as stated in the auction notice together with the additional required fees within 30 days from the auction date, all amounts paid at the time of auction by the successful bidder will be forfeited.

(E) In the event of forfeiture, the ASLD Commissioner may declare that the bid placed before the final bid accepted is the highest bid, and that the bidder has five (5) days after notification by ASLD to pay by cashier's check all amounts due.

(F) A representative of the bidder, other than the registered broker/salesperson, must attend and bid on behalf of the bidder.

BROKER INFORMATION:

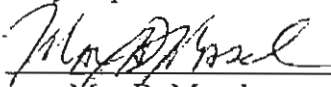
In the event the potential bidder is represented by a broker seeking a broker commission pursuant to A.R.S. §37-132(B)(2), it is the responsibility of both the potential bidder and the designated broker to register with ASLD no later than three (3) business days prior to the date of auction. Registration must be submitted on the ASLD's Broker Registration/Bidder Certification form in accordance with R12-5-413. Original signatures of Broker, Salesperson, and Potential Bidder must all appear on one form. Facsimile copies will not be accepted by ASLD. The real estate broker/salesperson of the successful bidder who has so registered with ASLD for this Auction will be required to sign an affidavit that he/she is licensed pursuant to A.R.S. §32-2101, et. seq., identify his/her client as the successful bidder, has no other affiliation with the successful bidder other than as a procuring broker and that he/she actually procured the successful bidder for this Auction. **Broker Registration forms will not be accepted by ASLD for Public Auction No. 53-115506 after 5:00 p.m. on Friday, December 9, 2011.**

GENERAL INFORMATION:

The ASLD may cancel this auction in whole or in part at any time prior to the acceptance of a final bid.

A protest to this sale must be filed within 30 days after the first day of publication of this announcement and in accordance with A.R.S. §37-301.

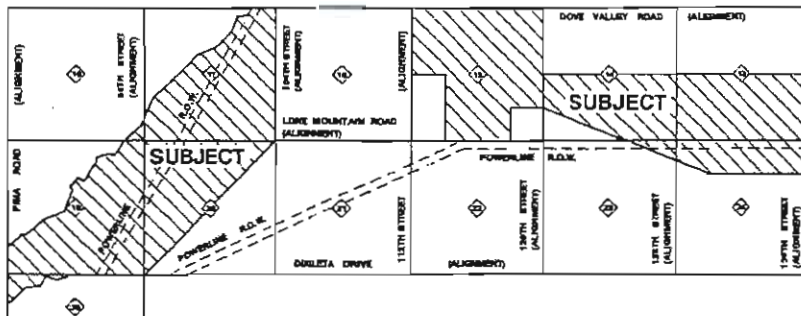
Persons with a disability may request a reasonable accommodation such as a sign language interpreter, by contacting the ADA Coordinator, at (602) 364-0875. Requests should be made as early as possible to allow time to arrange the accommodation.


Max D. Masel
(for) Maria Baier
State Land Commissioner



9-12-11

Date



Disclaimer: This map is designed for general overview purposes only. Unless otherwise stated all depictions are approximate. Prospective bidders should review all information in ASLD's records relating to the property and seek technical or legal advice as needed to assure the understanding of all legal descriptions, plat maps, surveys, and other documents relevant to the property. Contact ASLD, Real Estate Division at (602) 542-3000 for additional information.

STATE LAND DEPARTMENT OF THE STATE OF ARIZONA
BEFORE THE STATE LAND COMMISSIONER

IN THE MATTER OF APPLICATION TO) ORDER NO. 054 -2011/2012
PURCHASE NO. 53-115506 FOR THE STATE)
LAND DESCRIBED AS:) AUTHORIZATION OF SALE
SEE ATTACHED EXHIBIT A) AND ORDER CLOSING LAND TO
LEGAL DESCRIPTION) ENTRY AND LOCATION
APPLICANT: CITY OF SCOTTSDALE)

The State Land Commissioner authorizes the sale of the subject lands and improvements (if applicable) according to the provisions of the law, for not less than the appraised value, with additional conditions made part of the subject sale, and on file at the Department.

The State Land Commissioner has determined that the interests of the State will not be prejudiced by the sale.

IT IS ORDERED that the lands and improvements (if applicable) as referenced in the caption of this Order, be sold to the highest and best bidder at public auction.

IT IS FURTHER ORDERED that pursuant to A.R.S. § 37-231(E)(2) any mineral rights reserved to the State in the subject lands shall be closed to entry and location as a mineral claim or claims, effective the date of this Order, provided that the State Land Department may issue, upon application, mineral prospecting permits embracing the reserved mineral rights when such issuance is deemed in the best interest of the state. If the subject land is not sold within six months of the date this order is issued, IT IS ORDERED that any mineral rights reserved to the State in the subject lands shall automatically be opened to entry and location as a mineral claim or claims.

GIVEN under my hand and the official seal of the Arizona State Land Department this 15th day of September, 2011.



MARIA BAIER
State Land Commissioner

by: Maria D. Baier

This is an appealable agency action. Pursuant to A.R.S. § 41-1092.03, if you are directly or adversely affected by this decision, the party may request a hearing within thirty (30) days of the date the notice is received. A request for a hearing must be in writing and filed with the Department, and must state the appellant's name and address, the specific action or actions of the Department which are the basis of the hearing request, and a concise statement of the reasons for this appeal. The appellant also has the right to an informal settlement conference pursuant to A.R.S. § 41-1092.06, if it is requested in writing and filed with the Department no later than twenty (20) days before the hearing.

Pursuant to Rule 31(c)(11) of the Arizona Supreme Court, in proceedings before the Office of Administrative Hearings, a legal entity may be represented by a full-time officer, partner, member or manager of a limited liability company, or employee, provided that: the legal entity has specifically authorized such person to represent it in the particular matter; such representation is not the person's primary duty to the legal entity, but secondary or incidental to other duties relating to the management or operation of the legal entity; and the person is not receiving separate or additional compensation (other than reimbursement for costs) for such representation.

The request must be sent to the State Land Department, Attention: Director, Land Information Title & Transfer Division. If the request for a hearing is not timely filed, the decision of the Commissioner may be final and not subject to further review.

In accordance with Title II of the Americans with Disabilities Act (ADA), the Arizona State Land Department does not discriminate on the basis of disability in the provision of its programs, services and activities.

Persons with a disability may request a reasonable accommodation such as a sign language interpreter by contacting the Department's ADA Coordinator at (602) 364-0875. Request should be made as early as possible to allow time to arrange the accommodation.

Copy of the foregoing mailed/
delivered this 15th day
of September, 2011, to:

Certified No. 91 7108 2133 3932 4721 8097

City of Scottsdale
Attn: Kroy S. Ekblaw
7447 E. Indian School Rd., Ste. 300
Scottsdale, AZ 85251

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2 Authorization of Sale 53-115506
3 Page 3

4 Certified No. 91 7108 2133 3932 4721 8103
5 14-96685

Arizona Public Service Co.
Land Office
Attn: John Hensley
P.O. Box 53933, Mail Station 3016
Phoenix, AZ 85072-3933

7 Certified No. 91 7108 2133 3932 4721 8110
8 02-00001

U. S. Bureau of Reclamation
P.O. Box 11568 Region 4
Salt Lake City, UT 84109

9 Certified No. 91 7108 2133 3932 4721 8127
10 18-106998

Southwest Gas Corporation
Attn: Diane Fitch
P.O. Box 98510
Las Vegas, NV 89193-8510

12 Certified No. 91 7108 2133 3932 4721 7830
13 23-107293-03

Cave Creek Outfitters
Attn: Todd Masden
31313 North 144th Street
Scottsdale, AZ 85262

15 Certified No. 91 7108 2133 3932 4721 7922
16 23-107456-03

Arizona Desert Events
Attn: Doreen O'Connell
3326 East Renee Drive
Phoenix, AZ 85050

18 Certified No. 91 7108 2133 3932 4721 7915
19 23-113395-26

McDowell Sonoran Land Trust
Attn: Linda Raish
16435 N. Scottsdale Rd., Ste. 110
Scottsdale, AZ 85254

21 Certified No. 91 7108 2133 3932 4721 7847
22 23-113945-26

McDowell Sonoran Conservancy
Attn: Steve Dodd
16435 N. Scottsdale Rd., Ste. 110
Scottsdale, AZ 85254

24 Certified No. 91 7108 2133 3932 4721 7854
25 23-108280-01

Robsons Old West Honey, Inc.
Attn: David Conkhin
51322 West U.S. Hwy. 60
P.O. Box 3465
Wickenburg, AZ 85358

26
27
28

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Certified No. 91 7108 2133 3932 4721 7861 Maricopa County Flood Control District
23-109331-18 2801 West Durango
Phoenix, AZ 85009

Copy to: Attorney General's Office, Natural Resources Section
Minerals Section
Water Rights and Agriculture Section
Engineering Section
Right of Way Section
Public Notice Board

File Nos. 53-115506, 14-96685, 02-00001, 18-106998,
23-107293-03, 23-107456-03, 23-113395-26,
23-113945-26, 56-108609, 23-108280-01, 23-109331-18



EXHIBIT A
LEGAL DESCRIPTION
53-115506

S2, SECTION 13, TOWNSHIP 5 NORTH, RANGE 5 EAST, G&SRM, MARICOPA COUNTY, ARIZONA, CONTAINING 320.25 ACRES, MORE OR LESS

M & B IN S2, SECTION 14, TOWNSHIP 5 NORTH, RANGE 5 EAST, G&SRM, MARICOPA COUNTY, ARIZONA, CONTAINING 270.28 ACRES, MORE OR LESS

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